



OFFICE OF THE VICE PRESIDENT

WASHINGTON

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MEMORANDUM FOR HAMILTON JORDAN ✓
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FROM: RICHARD MOE *Ran*

SUBJECT: EFFECT OF TRADE EMBARGO ON SOVIET UNION

Since the stated purpose of the measures the President announced Friday was to show the Soviets they could not commit aggression without paying a price, the support we are able to enlist for his policies will bear directly on our ability to demonstrate that the Soviets are in fact being hurt by the measures. Moreover, Kennedy and other candidates are now emphasizing that the Soviets won't be hurt, but our farmers will be.

After an initial round of speculation on what this would mean for the Soviets, the focus is quickly shifting to the domestic farm impact and other concerns. I strongly recommend that we try to more effectively dramatize the price the Soviets will pay so that we can effectively answer Kennedy's argument and at the same time build broad public support for our policies. Here are a few suggestions:

1) Announce and pump up as soon as possible the response we have received from other grain producing nations with obvious emphasis on the fact that the Soviets can't replace our grain.

2) Attempt to document and publicize what Bob Bergland heard from two private grain traders yesterday -- namely, that the Soviets were "shocked" by our actions having believed that we would never have the guts to cut off anything more than prospective sales.

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3) Push Commerce to announce quickly one or two big license cancellations to demonstrate that all the action is not in the agricultural area.

4) Background the press intensively and in as much detail as possible on the economic inconveniences and dislocations the Soviets will suffer as a result of our actions.

From a political viewpoint, this kind of effort is badly needed to maintain public support, to blunt our opponents' charges, and to stay on the offensive.